

ORIGINAL



Endorsement, Sponsorship and Supplier Agreement -- AAU



THIS ENDORSEMENT, SPONSORSHIP AND SUPPLIER AGREEMENT, the adidas Standard Terms and Conditions and all Schedules hereto (collectively, the "Agreement") is made and entered into as of **February 15, 2015** (the "Effective Date") by and between adidas America, Inc., an Oregon corporation ("adidas") and **New England Playaz Basketball Club**, its coaches, staff and players and any current, new or additional basketball teams organized and/or sponsored by such team and their respective coaches, staff and players, by and through its Director **Thomas Gassnola** ("Consultant") (collectively, "Team"). Team organizes and operates an AAU basketball team in the State of **Massachusetts**. adidas desires to support Team and to have Team to, among other things, endorse adidas brand products and the adidas brand, and Team agrees to perform such obligations and grant such rights subject to the terms and conditions set out below. In consideration of the mutual promises, covenants and agreements expressed herein and for other good and valuable consideration, the receipt and adequacy of which the parties acknowledge, adidas and Team have agreed as follows:

I. **Term.** This Agreement shall remain in full force and effect from the Effective Date through **December 31, 2016** (the "Term"), unless sooner terminated in accordance with the terms and conditions hereof. adidas may extend the term of this Agreement by **one (1)** (one-year) Contract Years (i.e. adidas may extend the Term through **December 31, 2017**) at its sole discretion. adidas shall give notice of its intent to exercise this option at least thirty (30) days prior to the natural termination of this Agreement.

II. **Team Merchandise Allotment.** Each Contract Year and at no cost to Team, adidas shall provide **Sixty Thousand Dollars (\$60,000)** worth of adidas Products (at retail value) for use by Team. adidas shall have sole discretion with respect to the styles and designs of adidas Products provided to Team. The delivery of the adidas Products required by this Section shall occur in accordance with adidas' customary seasonal product delivery cycles. During the Term, Team shall have the right to purchase other adidas basketball Products, at wholesale prices. All sales shall be subject to adidas' standard terms and conditions of sale and all adidas Products provided or purchased hereunder shall not be for resale.

III. **Exclusivity & Loyalty.** Subject to the terms and conditions of this Agreement, Team agrees to exclusively wear, use and promote adidas

adidas Standard Terms & Conditions

1. **Definitions.** As used herein, the terms set forth below shall be defined as follows:

1.1 "adidas Products" means any Products bearing any adidas Trademarks.

1.2 "adidas Trademarks" means any name, logo, symbol, trademark or service mark, or brand owned, licensed or controlled by adidas (at any time), including but not limited to the adidas name, Trefoil, 3-Stripes mark, Sport Heritage logo, Sport Performance logo, Sport Style Logo and Sport Point.

1.3 "Advertising Appearance" means any appearance by Consultant to develop, create or produce marketing or advertising materials including, but not limited to, photo or production sessions related to posters, hang-tags, catalogs, brochures or in-store displays; and photo or production sessions related to television, radio, print, Internet, video, outdoor, billboard and wallboard advertisements, promotions or content.

1.4 "Affiliate" means adidas AG and any other company or entity owned or controlled by, controlling or under common control with, adidas AG or adidas.

1.5 "Team Endorsement" means the name of the Team and the name, nickname, initial, number, autograph, voice, facsimile signature, photograph, likeness, character image or facsimile image, Internet, video and film portrayals of Consultant, and any other means of endorsement which are used in the sports marketing industry.

1.6 "Celebration Apparel" means any Product that is worn while commemorating or

recognizing Team's or Team's team's victory or achievement, including but not limited apparel Products that are worn in celebration or recognition ceremonies.

1.7 "Competitor" means any person, entity or organization other than adidas that develops, manufactures, distributes, markets, licenses or sells: (i) Products; or (ii) services that compete with adidas.

1.8 "Events" means those basketball competitions, programs, activities or events organized, sponsored, controlled or otherwise affiliated with the Team.

1.9 "Territory" means the universe.

1.10 "Contract Year" means each consecutive twelve (12) month period during the Term beginning on **January 1** and ending on **December 31**, except that the initial Contract Year shall begin on the Effective Date and end on December 31, 2015.

1.11 "Personal Appearance" means any appearance by Consultant other than an Advertising Appearance, but specifically excludes Team's competing in any adidas sponsored tournament or game, (e.g., attendance at in-store appearances, autograph sessions, clinics, celebrity events, other public appearances, adidas shareholder meetings, or meetings with representatives of adidas' major accounts).

1.12 "Products" mean all athletic, athleisure and casual footwear, apparel, accessories and equipment, including but not limited to bags, headbands, wristbands, water

bottles, headwear, socks, fragrances, toiletries, eyewear, sunglasses, watches and underwear.

1.13 "Flagship Programs" means four basketball teams that are designated by adidas each Contract Year. For the 2015 Contract Year, such teams are: Team Loaded -NC, Atlanta Celtics, Compton Magic, and Indiana Elite.

2. Obligations of Team.

2.1 Team Use of adidas Products. At all times during the Term, Team shall exclusively wear, use and promote adidas Products throughout the Contract Territory whenever Team wears, uses or promotes Products, including but not limited to whenever Team: (i) is playing or coaching basketball (including but not limited to practices, games and exhibitions); (ii) is being filmed by promotional videotape or posing for photographs or otherwise engaged in promotional or other activities; (iii) attends or participates in any basketball event or training session whether as a player, spectator, television commentator or in any other capacity; (iv) appears in or is featured in any pre-arranged sporting, lifestyle or general interest articles or features in newspapers, magazines, Internet or other publications; (v) participates in any public appearance or interview, including but not limited to television and other press appearances in relation to both sporting and non-sporting events; or (vi) engages in sports or sports product promotional activities.

2.2 Team acknowledges that Team's obligation to exclusively wear adidas Products, as identified by adidas, shall be a material term of this Agreement.

2.3 Team shall not (nor allow any third party to) deface, cover, remove, black out or otherwise alter any physical adidas Product or part thereof, or any adidas Product or part thereof appearing in photographs, video or digital content. Team shall at all times keep the adidas Products supplied to Team in clean and good condition. Team shall take special care to

ensure the prominent visibility of the adidas Trademarks, particularly during promotional appearances and in the circumstances referred to in this Agreement. Except as otherwise permitted by this Agreement, Team shall not wear, use or promote any Products with any name, symbol, logo, mark, patch or other identifier (other than the adidas Trademarks) on such Products. Team shall not alter any non-adidas Products to resemble adidas Products.

2.4 Team shall give adidas reasonable notice of any material quality problems encountered with respect to any adidas Products supplied for Team's use, and Team shall cooperate and assist adidas in its efforts to correct any such problem. Team shall from time to time, and upon adidas' request, provide adidas with information regarding Team's experience of using adidas Products and shall assist adidas in the design, research, development and user-testing of adidas products.

2.5 Consultant shall: (i) act diligently and faithfully as a promoter of adidas Products; (ii) recommend adidas Products whenever Consultant has the opportunity to do so; and (iii) refrain from doing anything which may harm the sale of adidas Products or adidas' reputation.

2.6 Team acknowledges and agrees that during the Term adidas will be Team's primary sponsor. As such, to the extent Team enters into endorsement relationships with other companies, adidas will remain Team's top priority to the extent there are creative, schedule or other conflicts between Team's various sponsors. When appearing in other sponsor's marketing activities (ads, events, etc.), Team will use best efforts to wear adidas Products.

2.7 Team shall not wear, promote, use or otherwise endorse any Product of a Competitor or any other goods or services of a Competitor.

2.8 If Team creates or is directly or indirectly involved in the creation of an Internet website relating to Team, then Team: (i) shall provide a prominent link from such site to www.adidas.com; and (ii) if Team appears in/uses Products in any content on Team's website, then such Products shall exclusively be adidas Products.

3. **Appearances.**

3.1 Consultant agrees to make the number of Personal Appearances and Advertising Appearances set forth in Section V of this Agreement. The parties agree that adidas will not pay Consultant additional compensation for any appearance made by Consultant pursuant to this Agreement.

3.2 Consultant shall coordinate with adidas all appearances requested hereunder. Consultant shall, upon request, give adidas written notice of Team's schedule for purposes of coordinating the scheduling of appearances and, without request, any changes thereto.

3.3 If Consultant arrives more than one (1) hour after the agreed upon arrival time for any appearance, then adidas may reduce the next Travel Allotment payment(s) payable to Team by an amount equal to any costs that adidas incurs as a result of such delay (unless the delay was caused by circumstances solely out of Consultant's control) or require immediate reimbursement of such amount from Team. In addition to the foregoing, if Consultant fails to make any confirmed appearance (and adidas reasonably determines that such failure to appear was unjustified (e.g., death of a family member is an example of a justified reason and missing a flight, over-sleeping or another commitment took priority are examples of unjustified reasons), then adidas may deduct twenty-five percent (25%) of the annual Travel Allotment due to Team from the next Travel Allotment payment(s) payable to Team or require immediate reimbursement of such amount from Team.

3.4 adidas shall pay all reasonable out-of-pocket expenses incurred by Team in connection with any Personal Appearances or Advertising Appearances, including but not limited to airfare, meals and lodging. Notwithstanding the foregoing, adidas shall not pay any expenses for any such appearance that is at a location coincident with Team's competition, practice, training or other promotional appearance related travel schedule.

4. **Grant and Use of the Team Endorsement.**

4.1 Team grants to adidas: (i) the exclusive royalty-free right and license during the Term and throughout the Territory to the unlimited use (in any media now known or hereafter created) of the Team Endorsement (x) in and in connection with or relation to the development, manufacturing, marketing, advertisement, licensing, sale, distribution and promotion of Products and any adidas brands, and (y) to develop, manufacture, market, advertise, distribute, license, sell, promote and commercially exploit Products that include the Team Endorsement; and (ii) the non-exclusive right and license during the term and throughout the Territory to the unlimited use (in any media now known or hereafter created) of the Team Endorsement in and in connection with or in relation to posters, promotional products and other products designated by adidas.

4.2 All advertising and promotional materials produced under this Agreement shall be the sole property of adidas and shall be works made for hire and Team hereby assigns, all rights, title and interest in and to such materials to adidas. Team shall have no right, title or interest of any kind in or to such materials, nor shall Team be entitled to the payment of any amounts with respect thereto. Team waives any moral rights with respect to any advertising or promotional materials to the extent permitted by law. Team agrees that adidas shall be entitled to the unrestricted use

(without compensation) of any idea of Team in connection with this Agreement, including but not limited to advertising and/or development of Products Team agrees to indemnify adidas and its Affiliates against any losses, claims, costs or damages (including attorneys' fees) suffered by such party resulting from the use of the Team Endorsement.

4.3 Team agrees not to use, license or authorize any third party to use the adidas Trademarks, or to use the adidas Trademarks without prior written approval from adidas. Team further agrees that: (i) adidas may (at its own cost) file and maintain trademark applications/registrations for Products that include the Team Endorsement; (ii) adidas shall have the right (in its sole discretion, at its own cost and either in its own name or in the name of Team) to bring actions against third parties for infringement of such trademarks and to oppose conflicting trademark applications; and (iii) with respect to (i) and (ii), Team will sign such documents and provide information and assistance as adidas may request from time to time.

5. Representations, Warranties and Covenants. Team represents, warrants and covenants that: (i) no rights or licenses with respect to Team Endorsement will be granted to any person or entity other than adidas during the Term in connection with the development, manufacturing, marketing, advertisement, promotion, licensing or sale of Products; (ii) Team is free to enter into this Agreement and to perform Team's obligations contemplated under this Agreement; (iii) Team is the sole owner of the promotional, endorsement and licensing rights granted to adidas under this Agreement and that Team has not granted (and will not grant) any right, license or privilege (or any option relating thereto) during the Term to any Competitor; (iv) Team has not entered (and will not enter) into any other agreement or understanding that will prevent or substantially impair the performance of Team's obligations

under this Agreement; (v) Team does not know of any existing health problem or medical condition which materially affects (or will materially affect) Team's ability to compete and train in first-class physical condition and will notify adidas if Team becomes aware of any such health problem or medical condition which subsequently arises during the Term; (vi) Team does not now, did not one (1) year prior to the Term, and shall not during the Term, use or possess any drugs or other substances, the use or possession of which is prohibited by applicable law, statute, regulation, or rule of any government, sports federation, or national or international sports organization with jurisdiction over Team or to which Team may directly or indirectly be subject to or belong, including but not limited to the AAU; (vii) Team shall not at any time during or after the Term of this Agreement disparage in any manner adidas, its Affiliates or their respective Products; (viii) Team shall cooperate (in good faith) with adidas in performing Team's obligations under this Agreement; (ix) it shall participate in national tournaments, including those designated by adidas; (x) without prior written approval, Team shall not provide any adidas Products (or other benefits provided hereunder) to any teams/programs not approved by adidas (e.g., high schools/grass roots programs, middle school programs or girls programs); (xi) it is not (and shall not be) in possession of a firearm in violation of any law; and (xii) without prior written approval, Team shall not host or sponsor any tournament, league or event.

6. Right of First Dealing and Matching Rights.

6.1 Beginning sixty (60) days before the end of the Term until the expiration of this Agreement ("First Dealing Period"), Team shall periodically meet with adidas to negotiate in good faith the renewal of this Agreement. The parties shall not be obligated to enter into a new agreement if they cannot settle on mutually satisfactory terms during the First Dealing Period. During the Term, Team shall not (nor

shall Team permit any third party to) enter into any agreement or engage in discussions or negotiations with any third party regarding Team's wearing, sponsoring, promoting, receiving, advertising or endorsing, or providing consulting or similar services with respect to, any Products ("Endorsement Rights").

6.2 Following the termination or expiration of this Agreement, Team will not enter into any agreement or understanding with any third party regarding Endorsement Rights without first giving adidas the opportunity to enter into an agreement with Team for such Endorsement Rights on the terms and conditions proposed by such third party that are material, measurable and matchable terms and conditions ("Third Party Terms"). Team shall provide adidas in writing (on third party letterhead, unaltered and unredacted) with the Third Party Terms Team receives. adidas shall have thirty (30) days from its receipt of such Third Party Terms to match or better such Third Party Terms. If adidas matches or betters such Third Party Terms, then Team will enter into a new agreement with adidas on such Third Party Terms, the better terms and other standard adidas terms and conditions. If adidas fails to match or better such Third Party Terms, then Team shall enter into an agreement with such third party on the Third Party Terms that adidas failed to match or better.

6.3 During the period that is from the termination or expiration of this Agreement until adidas matches or fails to match or better the Third Party Terms (the "Market Period"), Team shall comply with the obligations in Section 2.1. If adidas matches such Third Party Terms and Team is not in breach of Section 2.1, then for the term of the Market Period that is not included in the new agreement between Team and adidas (the "Compensation Period"), adidas shall pay Team based on the following formula: the annual Travel Allotment for the Contract Year in which the termination or expiration occurred shall be divided by three hundred sixty-five (365)

and the quotient thereof shall be multiplied by the number of days in the Compensation Period.

7. Right of Reduction/Proration of Travel Allotment/Team Merchandise Allotment.

7.1 If adidas believes that Team has breached this Agreement, then adidas may (in its discretion) immediately suspend all currently due and future payments hereunder effective upon written notice to Team of adidas' suspension of such amounts. Team acknowledges that adidas' suspension of payments hereunder does not relieve Team of any obligations hereunder.

7.2 If during any Contract Year, any third party enacts or enforces (or threatens to enforce) any rule, regulation, law or other restriction that directly or indirectly prevents adidas from exercising any material rights or Team from performing any material obligations under this Agreement, then adidas shall have the right to withhold the payment of any performance bonuses and reduce Team's annual Travel Allotment by fifty (50%) percent.

7.3 If during any Contract Year, Team fails (for any reason) to wear, use or exclusively promote the appropriate adidas Products (e.g., footwear, socks, and arm sleeves) as provided herein, then adidas shall have the right to withhold the payment of any performance bonuses and reduce Team's annual Merchandise Allotment by up to two thousand five hundred dollars (\$2,500) per occurrence.

7.4 If adidas exercises any of the reduction or withholding rights in Sections 7.2 or 7.3, then Team forfeits such prorated amount and adidas shall have the right to withhold payment of any prorated amount from any future payments due to Team or Team shall pay adidas immediately upon adidas' request for such prorated amount.

8. Termination.

8.1 adidas may terminate this Agreement at any time upon written notice to Team if Team (or as applicable Consultant): (i) is in material breach of this Agreement (including but not limited to any provision of Section 5); (ii) ceases to exist or compete; (iii) is convicted of, or pleads guilty or nolo contendere to, a felony; (iv) is convicted of, or pleads guilty or nolo contendere to, a misdemeanor, felony or charge involving moral turpitude or the purchase, sale, possession, or use of an illegal substance or prohibited substance; (v) is suspended or takes a leave of absence from Team because of alcohol or drug use or psychological/physiological problems; (vi) enters an alcohol, drug or psychological/physiological treatment program; (vii) attracts publicity which in the judgment of adidas has an adverse effect upon the status or reputation of Team, the value of Team to adidas, or adidas; (viii) for an aggregate or consecutive period of six (6) months or more during the Term, does not train and/or compete at a first class level acceptable to adidas or is otherwise inactive for any reason (including illness or injury); (ix) is determined by any government, sports federation, or national or international sports organization having jurisdiction over Team or to which Team may directly or indirectly be subject to or belong, including but not limited to AAU, to have used or possessed drugs or other substances in violation of the laws, statutes, regulations, or rules of such organization; (x) fails to abide by the laws, statutes, regulations, or rules of any government, sports federation, or national or international sports organization having jurisdiction over Team or to which Team may directly or indirectly be subject to or belong, including but not limited to AAU; (xi) is in possession of a firearm in violation of any law (xii) dies; (xiii) Consultant ceases for any reason to be coach of the Team; or (xiv) is provided 90 days' notice of adidas' intent to terminate this Agreement.

8.2 Team shall have the right to terminate this Agreement if: (i) adidas is adjudicated as insolvent, or declares bankruptcy; or (ii) adidas fails to make payment to Team of any sums due pursuant to this Agreement within sixty (60) days following the receipt by adidas of written notice from Team that such payment is past due. Team acknowledges that adidas has sixty (60) days to pay all invoices and that Team is required to send adidas a second notice (after the sixty (60) day period) stating that such payment is past due.

8.3 In addition to any rights and remedies adidas may have under this Agreement, at law or in equity, for each single case of a material breach of this Agreement, adidas shall be entitled to reduce Team's annual Travel Allotment up to 50% of the annual Travel Allotment payable at the time of the breach. Such amount may, at adidas' sole discretion, be deducted from any future payments due to Team or Team shall pay adidas immediately upon adidas' request for such amount.

9. **Rights Upon Termination.** Upon termination of this Agreement for any reason, adidas shall pay Team the balance, if any, of Travel Allotment for the then current Contract Year earned as of the effective date of termination based on the following formula: The total annual Travel Allotment for the Contract Year in which termination occurs shall be divided by three hundred sixty five (365), and the quotient thereof shall be multiplied by the number of days in that Contract Year which preceded the effective date of termination. Any payment of Travel Allotment for the Contract Year during which termination occurs shall be applied against adidas' obligation to pay Team the foregoing amount. If such calculation results in a negative number, then Team shall within fifteen (15) days following such termination remit such amounts to adidas. Notwithstanding the foregoing, if adidas suspends any payment(s) to Team pursuant to Section 7.1 and subsequently terminates this

Agreement or it expires prior to adidas' payment of any suspended payments, then adidas shall pay Team as follows: (i) with respect to any suspended payments of Travel Allotment for the Contract Year in which the suspension notice was given, adidas shall pay Team the amount that equals the annual Travel Allotment for such Contract Year divided by three hundred sixty-five (365) and then multiplying the quotient thereof by the number of days in such Contract Year that preceded the effective date of the suspension notice; (ii) with respect to any payments of Travel Allotment for the Contract Year(s) following the Contract Year in which the suspension notice was given, no amount; and (iii) provided that any payment of Travel Allotment for the Contract Year in which the suspension notice was given shall be applied against adidas' obligation to pay Team hereunder. For example: if, under an agreement that runs annually until December 31, 2011, Team's last Travel Allotment payment was made June 30, 2010, adidas' suspension notice was effective on July 15, 2010, and adidas terminates the agreement on July 27, 2010, then Team would receive Travel Allotment due for the period of July 1, 2010 through July 14, 2010, but Team would not receive any Travel Allotment due for the period from July 15, 2010 through termination.

10. Rights Upon Expiration/Termination.

Upon expiration or termination of this Agreement, Team acknowledges that adidas shall: (i) in perpetuity, have the right to internal and external non-commercial use for reference, historic/informative, public display and inclusion in the adidas museum any Products, advertising or promotional materials which, include the Team Endorsement; (ii) for a period of six (6) months following the effective date of expiration or termination, have the right to continue to sell Products bearing the Team Endorsement; and (iii) for a period of sixty (60) days following the effective date of expiration or termination, have the right to use advertising and promotional materials bearing the Team Endorsement which were printed or ordered prior to the effective

date of expiration or termination.

11. Limitation of Liability. Team, on behalf of Team, Team's heirs, successors and assigns, hereby releases adidas and its Affiliates and their respective employees, owners, agents, officers, directors and their successors in interest from all liability for injury, death, and property loss and damage that results from Team's participation in athletics and other recreational and competitive athletic activities, which relate to the use of any adidas Products or any activities related to Team's performance under this Agreement. ADIDAS SHALL NOT UNDER ANY CIRCUMSTANCES BE LIABLE TO TEAM, WHETHER IN CONTRACT, TORT OR OTHERWISE, FOR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, ARISING OUT OF, OR IN CONNECTION WITH THIS AGREEMENT; NOR ANY LOSS OF BUSINESS OR LOSS OF PROFITS. Team voluntarily agrees to expressly assume all risks of injury and death that may result from participation in athletics and other recreational and competitive athletic activities, which relate in any way to the use of any adidas Product provided under this Agreement, or from any activities related in any way to performance under this Agreement.

12. Confidentiality. All terms of this Agreement are confidential and neither party shall disclose any term hereof without the prior written consent of the other party, unless disclosure is required by law. Team further agrees that Team may receive confidential information owned by, or proprietary to, adidas, including but not limited to information relating to adidas, adidas Products (including prototype products) and its marketing plans and strategies and Team shall not disclose such confidential information to any third party. Notwithstanding the foregoing: (i) either party may disclose the terms hereof to such party's professional, financial and similar advisors provided such other persons or firms agree not to disclose such information to any third party; and (ii) adidas shall have the right to disclose the terms of this Agreement to any of its Affiliates,

partners, distributors, manufacturers or licensees.

13. Dispute Resolution/Injunctive Relief.

Excluding equitable relief as provided below, the parties agree that any dispute arising out of or related to this Agreement shall be submitted to a mutually agreed upon mediator for non-binding confidential mediation in Portland, Oregon. If the dispute cannot be resolved through mediation, it shall be submitted to final, binding and confidential arbitration before the Arbitration Service of Portland in Portland, Oregon. Team further acknowledges that the Team Endorsement and the services provided hereunder are special and unique, that the breach of this Agreement will cause irreparable harm to adidas and that adidas shall be entitled to injunctive relief to prevent Team from breaching or continuing to breach this Agreement. The parties agree that the procedures outlined in this Section are the exclusive methods of dispute resolution.

14. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon. The parties hereby agree and consent to the exclusive jurisdiction and venue of any state or federal court located in Multnomah County, Oregon.

15. Assignment/3rd Parties. Neither party may assign this Agreement without the express written approval of the other party; provided that adidas may assign or sub-license this Agreement and its rights and obligations to Affiliates, and adidas or Affiliate partners, manufacturers, licensees and distributors, without the consent of Team. Team may not delegate the obligations of this Agreement. Except as expressly provided herein, nothing contained herein shall grant any third party, any rights or remedies under this Agreement.

16. Infringement. If adidas learns of any unauthorized use of the Team Endorsement or any use of any material that is (or may) infringe the publicity rights of Team, then Team grants adidas the right to take any action adidas deems

necessary (at its sole expense and by attorneys of adidas' choice), including suing for infringement and joining Team as a party. Team agrees to cooperate and assist adidas in any such action and that the monetary proceeds from any such action (including a settlement) will belong first to adidas to cover its expenses (including attorneys' fees), with the balance (if any) split equally between adidas and Team.

17. Notices. All notices or other communications provided for herein shall be given in writing by overnight delivery (e.g., Fed Ex or UPS) and shall be deemed given upon receipt, or refusal of receipt by Team. Notice shall be made to Team at the address above and to adidas at adidas America, Inc., 5055 N. Greeley Avenue, Portland, Oregon 97217, attn: General Counsel. A party may change its address by giving notice thereof to the other party.

18. Entire Agreement. This Agreement constitutes the entire understanding between the parties and cannot be amended or modified except by an agreement in writing signed by adidas and Team. All previous understandings or agreements between Team and adidas relating to the subject matter hereof shall have no further force and effect.

19. Severability. Every provision of this Agreement is severable. If any term hereof is held to be illegal or unenforceable for any reason, the other terms of this Agreement shall not be affected. Notwithstanding the foregoing, the parties shall negotiate (in good faith) and mutually agree upon the terms of a legal and enforceable provision to replace such term.

20. Relationship of the Parties. Team's performance of services for adidas hereunder is in Team's capacity as an independent contractor and nothing contained in this Agreement shall be construed to establish an employer/employee, partnership or joint venture relationship between Team and adidas. Team shall be solely responsible for the payment of all taxes on any compensation or products received

under this Agreement.

21. **Waiver.** The failure of either party to enforce any provision of this Agreement shall not be construed to be a waiver of such provision or otherwise limit such party's right to subsequently enforce such provision.

22. **Section Captions.** Section and other captions contained in this Agreement are for reference purposes only and are in no way intended to describe, interpret, define or limit

the scope, extent, intent or meaning of this Agreement or any provision hereof.

* * * END OF STANDARD TERMS AND
CONDITIONS***

Schedule 1

- 1.1. Team grants to adidas the exclusive right and license during the Contract Term to serve as the exclusive "Official Sponsor" of the Team.
- 1.2. Team hereby grants to adidas the right to use the slogans "Official Sponsor," "Official Outfitter" and "Official Footwear and Apparel Supplier" of Team and/or any of the Teams and/or any similar slogans (each a "Slogan") that adidas deems appropriate for use in the development, promotion, marketing and sale advertising of adidas Products during the Term.
- 1.3. adidas shall be identified as the "Official Sponsor," or "Official Outfitter" or "Official Footwear and Apparel Supplier" within the Product Category in all brochures, flyers, programs and other promotional materials of any kind or description in any way produced by or associated with Team, any Events or the Teams through the use of Slogans.
- 1.4. Consultant agrees that Team will participate in adidas' camps and tournaments upon request (e.g., Team must participate in UPRISING Summer Championships, at least two Gauntlet events and adidas UPRISING Gauntlet Finale, UPRISING All- American Camp if invited). Team is responsible for travel for all participants in non-adidas Nations events including camps and tournaments. In addition, Consultant will provide regional support for adidas events and adidas Nations (e.g., scouting).
- 1.5. adidas shall have the right to place stadium-sized banners or other appropriate signage at all Events. adidas shall supply such banners or other signage and Team shall use its best efforts to place them in highly visible locations.
- 1.6. At no cost to adidas, Team shall place an adidas trademark or logo (with the particular trademark or logo to be identified in each case by adidas) and/or Slogan on all printed materials used in connection with all Events and Team events, including all posters, programs, newspaper ads, direct mail flyers, and all other collateral materials that are produced by Team during the Term. All existing stocks of all such printed materials referred to above in this same paragraph are exempt from this requirement. To the extent that Team advertises in magazines, Team shall also include an adidas trademark or logo (to be selected by adidas). The use and placement of such Slogan, trademark or logo shall be subject to adidas' prior approval, which Team shall seek from adidas before the use thereof. If adidas does not reject a proposed use within ten (10) days of being presented with such proposal, its consent to such use shall be deemed to have been given.
- 1.7. During the Term, Team will use its best efforts to provide adidas with tickets to all Events or Team events at no cost. Team shall also use reasonable efforts to obtain parking passes and hospitality passes to the extent passes are necessary.

Products. Consultant further agrees that Consultant owes adidas a fiduciary duty of loyalty, will work solely on behalf of adidas and its best interests, will not directly or indirectly aid, advise, assist, support or benefit any Competitor (including but not limited to wearing, sponsoring, promoting, receiving, advertising or endorsing any Competitor Products, providing consulting or other services to any Competitor, or directly or indirectly receiving any compensation from any Competitor) and will not engage in any act or omission that directly or indirectly conflicts with, weakens, undermines, circumvents or is otherwise inconsistent with the foregoing. Team further agrees that if any adidas appearance or event (e.g., adidas basketball camp or tournament) conflict's with a Competitor event, Team will ensure that the Team (including but not limited to its top players) exclusively participates in the adidas appearance or event.

IV. **Appearances.** Upon request by adidas and subject to the terms and conditions of this Agreement, Consultant shall be available in the Territory for a total of two (2) Personal Appearances and the number of Advertising Appearances necessary to satisfy adidas' advertising needs, either individually or as a part of a group, not to exceed eight (8) hours in duration per appearance (exclusive of travel time).

V. **Sponsorship Rights & Benefits.** During the Term, Team will provide adidas with the sponsorship rights and benefits contained on Schedule 1.

VI. **Travel Allotment.** adidas shall pay Consultant the sum of **Sixty Thousand Dollars (\$60,000)** for Contract Year one (2015) and **Sixty Five Thousand Dollars (\$65,000)** for Contract Year two (2016), payable February 15 and June 15 of each Contract Year. Any expenses incurred above and beyond the allotted amount will be at the expense of the Consultant. If Consultant is requested by adidas to a meeting, adidas will provide all transportation, hotels and meals (excluding incidentals).

VII. **Incentive Compensation.** Subject to the terms and conditions of this Agreement, adidas shall pay Team the bonus(es) earned by Team (if any) for the achievements listed below. All such payments shall be gross of taxes.

<u>Gauntlet Bonus Incentives:</u>	
Win the adidas Gauntlet	\$15,000*
Top 2	\$10,000*
Top 3-4	\$7,500*
Top 5-6	\$5,000*
Top 7-8	\$2,500*
Beat one of our Flagship Programs	\$1,000*
<u>Uprising Summer Championships:</u>	
Win the Uprising Summer Championships	\$15,000*
Top 2	\$10,000*
Top 3-4	\$7,500*
Top 5-6	\$5,000*
Top 7-8	\$2,500*
Beat one of our flagship programs	\$1,000*
<u>McDonald's All-American</u>	
Per McDonald's All-American Selections:	\$10,000 in adidas Product (at retail value) / per selection

*Only the highest incentive will be paid (e.g. non-cumulative).

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the Effective Date.

adidas

Team

BY:



Chris McGuire
Head of Sports Marketing



**Thomas Gassnola, as director of Team
and in his individual capacity**

Address:

BY:



Paul Ehrlich
General Counsel



Ludlow MA, 01056